



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 11, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 4066

Michael G. Lee
Tintic Utah Metals
15988 Silver Pass Road
P.O. Box 51
Eureka, Utah 84628

Re: Conditional Tentative Approval, Dry Stack Tailings Amendment, Tintic Utah Metals, LLC, Apex/Burgin Mine, M/049/009, Utah County, Utah

Dear Mr. Lee:

The Division has completed a review of your latest response, received January 7, 2002, to the Division's second deficiency review letter. After reviewing this latest information, the Division is now prepared to grant conditional tentative approval of the Dry Stack Tailing amendment with the following stipulation:

Stipulation: The operator must obtain formal Division approval before using any excess stockpiled soil material from the dry stack area for reclamation of other pre-law mining disturbances adjacent to the permitted mine area. The request must contain at a minimum; a location map and written description of those areas on which the soil will be placed, the volume of soil to be used, the thickness of soil placement, seedbed preparation and the revegetation seedmix.

Because this application is categorized as a permit amendment, no formal public notice is required. Prior to issuing our final approval of this proposal, we must receive copies of the following documents. Please provide this information within 30-days of your receipt of this letter:

1. Two complete and corrected copies of the permit amendment application. When final approval is issued, one copy will be stamped "approved" and returned to you for your records;

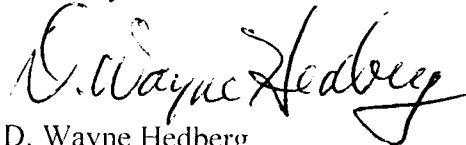
Page 2
Michael Lee
M/049/009
February 11, 2002

2. A **\$60,400.00** supplemental surety amount to cover the estimated reclamation costs for the Dry Stack Tailings project area. We currently hold two CD's in the amount of \$350,000 that cover the projected reclamation costs for other disturbances and facilities associated with the approved Apex/Burgin Mine permit.
3. A replacement Reclamation Contract (Form MR-RC) which reflects the total disturbance of the entire mine site. The Reclamation Contract will be attached to and become an integral part of the reclamation surety for this project. Please let us know which type of surety you propose to post so we can provide you with the appropriate form.

Please provide us with a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.

If you have any concerns regarding this letter, please contact me at (801) 538-5286 or Tom Munson at 538-5321. Thank you for your cooperation in completing this permitting process.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure: Surety Estimate & Form MR-RC
M49-09-cond-apv.doc

RECLAMATION SURETY ESTIMATE

Tintic Utah Metals LLC

Apex/Burgin Dry Stack Tailings - Permit Amendment

DOGM file number M/049/009

Prepared by Utah State Division of Oil, Gas & Mining

last revision

08/02/00

filename M049-009.xls

page "estimate D8"

Utah County

-This estimate uses a D8 size dozer for most earthwork

This bond is calculated for the reclamation of the Dry Stack Tailings portion of the Apex-Burgin permit only

Note: actual unit costs may vary according to site conditions last unit cost update 2-Aug-00

-Amount of disturbed area which will receive reclamation treatments = 10 acres

-Estimated total disturbed area for this mine = 10 acres

Activity	Quantity	Units	\$/unit	\$	Note
Regrading tailings - dozer	7 acre		502	3514	(7)
Tailings final grading - dozer	7 acre		234	1638	(8)
Topsoil replacement - dozer	5000 CY		0.5	2500	(12)
Topsoil replacement - Scraper	17500 CY		1.15	20125	(13)
Ripping resoiled areas prior to seeding	10 acre		234	2340	(9)
Mulching (2 ton/acre alfalfa)	10 acre		220	2200	(00)
Composted manure (10 ton/acre)	10 acre		300	3000	(00)
Broadcast seeding	10 acre		330	3300	(00)
General site cleanup & trash removal	10 acre		50	500	(00)
Equipment mobilization	2 equip		1000	2000	(00)
Reclamation Supervision	200 hours		30	6000	(15)
	Subtotal			47117	
10% Contingency				4712	
	Subtotal			51829	
Escalate for 5 years at 3.12% per yr				8606	
	Total			\$60,434	
Rounded surety amount in yr 2007-\$				\$60,400	
Average cost per disturbed acre =				\$6,040	

Note

- (7) Means 2000 & Blue Book 3Q/00: Cat D8N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth
- (8) Means 2000 & Blue Book 3Q/00: Cat D8N, U, mtl 2550 lb/CY, 100 ft push
- (9) Means 2000 & Blue Book 3Q/00: Cat D8N, U, multi shank rippers, speed 1.0 mph
- (10) Means 2000 & Blue Book 3Q/00: Cat D8N, U, mtl 2550 lb/CY, 50 ft push, used avg vol 0.5CY/LF-berm
- (12) Means 2000 & Blue Book 3Q/00: Cat D8N, U, mtl 2550 lb/CY, 100 ft push
- (13) Means 2000 & Blue Book 3Q/00: Cat 627F P-P, mtl 2550 lb/CY, 2,000 ft haul one-way, grade +/- 4%,
- (00) Blue Rock Excavating Bid - mulching
- (00) DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading
- (00) Blue Rock Excavating Bid - broadcast seeding
- (00) DOGM general estimate - site cleanup & trash removal
- (00) DOGM general estimate - equipment mobilization
- (15) Blue Rock Excavating Project Management Bid